## FT PASO HERA

WEATHER FORECAST.

16 PAGES-TWO SECTIONS-TODAY.

HOME EDITION

# Germany Offers Pay For "Gulflight" HUSS

President's Dictum Is Completed But Has Not Been Fully Approved.

EMBASSY AGENT GOES TO BERLIN

Will Inform Germany of the Sentiment Now Prevalent In United States.

WASHINGTON, D. C. June 4,-Ambassador Gerard at Berlin cabled the state department today a note from the German government agreeing to pay an indemnity for the damage done by a German gubinarine to the American steamer Guifflight, torpedied off the Scilly Islands. The German government recently acknowledged responsibility for the Guifflight incident, asserting the submarine community attacked the American ship by mistake. Germany said the officer falled to take note of the American flag.

said: annot divulge anything that hap-in caldnot meetings. To Transmit Note Promptly. To Transmit be dispatched to Ber-

Officials at the German embassy refine U-M. The men of the Victoria
thought the first shot came from a pairol boat
in became known authoritatively that
Meyer Gerhard, who sailed from New
York Thursday for Copenhagen, Donmark on the steamer United Status
with a guarantee of mafe conduct obtained by the American government
from the allies, is the man.

Consevys Information.

The German embassy agent is entrue:

The in the allies, is the man.

The German embassy agent is entrue:

The in the skippar came
of informing Berlin efficials regarding

with a guarantee of mafe conduct obtained by the American government from the allies, is the main.

Conveys Information.

The Germine embassy agent is entrusted, it is understood, with the mission of informing Berlin efficials regarding the feeling in the United States of States of States and the supplies which is to be placed squarely before Germany in such a way as to elicit either an affirmative or negative answer was anted in the American government's last note as follows:

The lives of noncombanants, whether they be of neutral cittenship or citizens of one of the nations at war, cannot lawfully or rightfully be pinced in jeopardy by the capture of destruction of an unarmost merchantinuo, and 'the imperial government must recognize also, re all other nations do, the obligation to take the usual precautions of visit and search.

May Acknowledge Wishas.

In view of the statement in the German rote that reliable oformation was armed, the American government intends to ce-man that it made full and searching investigation before the Landania walled and that its good faith is pleaded to the assertion that to gens, either mounted or manounted, were carried by the vessel. In many quarters it was believed Germany might find, a way out of dilemma by accepting the statement of the United States government as superseding its mistake.

Beers Guaranter of Allies,

New York June 4—Meyer Gerhard.

statement of the United States government as superseiding its own information and arknowledging its mistake.

Bests Guarantier of Allies.

New York June t - Meyer Gerhard, who is understood to be the agent ambassador Bennstorff is sending to Beriansador Bennstorff is sending to Bennstador Bennston and France united States for Copenhagen, it became known here today.

Official documents bearing the emhassy or consular seals of Great Britain. Russia and France, riving him guaranties against molestation by officers of the allied warships while on the way were in his possession.

Were in his possession.
Mr. Gerhard registered under his own manns, siving his home as New York city. Whether he is an American citi-

Victory or Defeat Depends on Men in Workshops, De-clares Lloyd-George.

of ammunition had been concentrated on the Germans in the west, they would have been driven out of France and half way across Belgium."

This was the otterance of David Liotd-George, the new minister of mu-nitions, in emphasizing to employers of the engineering trades and trade unionists Thursday night, the imperative need of Great Britain for greater production of munitions of war.

vectors of munitions of war.

Victory Depends on Munitions.

He added:

"I come as an emissary of state to carry the most urgent message ever told to the ears of a Manchester audience. Our country is fighting for its life, for the liberties of Europe; and upon what it does, upon what it is prepared to sacrifice, depends the usue.

## TWO WELSH TRAWLERS SUNK; SAILORS KILLED BY SHELLS

don, Eng., June t Several mak

them.

A piece of shrapnel struck the wit-ness on the arm and the head, and still another shell blew off the legs of the mate of the ship and injured two other near.

men. The men then scrambled onto the raft and the submarine pulled them aboard. The officer of the submarine, according to the witness, told them that if they had stopped, they would not have been fired on.

## AUSTRO-GERMANS ARE NOW MOVING AGAINST LEMBERG

Vienna, Austria, June 4.—Now that Przemyal has been captured the testro-German army of Gen. Mackenzen is moving eastward against Lemberg, Galicia. The Eussians are expected to take a strong position, consisting gartly of a chain of inkes about in miles west of Lemberg.

of a chain of inkes about 15 miles west of Lemberg.
It is thought, however, that these positions will prove untenable because then tinnengen, having crossed the Dacister, to the west of Mikolajow, will likely out the communications with Lemberg.

likely cut the communications with Lemberg.

The Austro-German plan of operation against Lemberg apparently is the same against Przemysl. They are expected to throw a column on both sides of the city and then press for some distance beyond it. In the meantime this movement geems to threaten the Russians lighting around Nadwarna with a loss of contact with the main body.

## SWEDISH STEAMER SINKS: TORPEDOED, IS BELIEF

lieved the versel was torpedec !

## BREAK WITH GERMANY,

PORTUGAL'S PRESS URGES Lisbon, Portugat, June 4.—Protesting vehemently against the sinking of two Portuguese ships by German subma-rines, the press of Portugal demands that the government immediately sever diplomatic relations with Germany.

Manchester, Eng., June 4.—The Gormans won their successes in the east
by concentrating 200,000 abells on a
field of battle. If the same amount
of ammunition had be.

CAPTAIN IS HELD VIRTUAL PRISONER

Part Of Cargo Is Seized By Authorities, Despite the Certification.

N EW YORK, June 4.—George Cornehl, captain of the American steamer Antilla, brought his vessel into port today from Copenhagen

sail goneral, who have him a certifiHe was taken into Kirkwall and
tained 11 days, during which in
guard, he smerted station at
door, watched him continuously,
having been ordered to Fundee,
vessel, he said, was detained 85
there and half of the cargo taken
On the return trip, Capt. Cor
said, he was detained two and
hours of a British cruiser.

ALLIES TAKE NO INDEPENDENT
ACTION IN WAR, IS AGREEMENT
Tokio Japan, June 5.—Foreign minister Kato, interpelated in the house
of peers today by the budget committee, made the declaration that Great
Britain, France, Russis, Italy and Japan
had agreed to take no independent action of any kind in connection with
the European war.

NORWEGIAN SHIP TORPEDOED. London, Eng., June 1.—The Norwegian steamship Cubano was tor-pedoed and sunk Thursday off the Plannan islands. The crew was landed in the Hebrides, a group of Islands off

## The War At a Glance

Having captured Premysi, the Austro-German forces are maintaining their offensive maintaining their offensive with unusual speed along the Galician froat. The treops which broke through the Illusian line at Stry are pushing northward rapidity a statement from the Russian war office contains the admission that in the region beyond the Inelater river the Austro-German army has advanced along the Tismenitus-Stry front.

The Vienna war department states that the Italians have bombarded Austrian foetifications at several inguation in West-

Conditions are virtually stationary along the western front, go far as is known from the official communications. Slight gains in the district north of Arras are reported by the French.

Swedish Ship Torpedecd—
The Swedish steamer Lappland was sunk Thursday off the coast of Scotland. Although no submarine was sighted, the captain expressed the opinion that the vessel was torpedeed. All on board were rescued.

## SCENES OF AUSTRO-ITALIAN



The chief forces, both of the Italian and Anstro-German armies, are reported to be massed in the valley of the Adigo river, through which the military experts say the easiest route of invasion is to be found for either side seeking to pass the mountain barrier. The Adige, as shown by the map, runs south to Verona and thence east to the Adriatic sea.

To the porthwest, a score of miles from the Swiss border, is shown the pass from Fejo to Ponte do legno, through which Austrian frontier guards passed before they were driven back by the Italians.

North of Trieste, just across the border, is Corixia, a railway center, guarding the connections leading to Trieste and the Austrian naval hase at Pola. Experts say that the country west of Gorizia affords facility for an Italian invasion in this direction.

Florence, the capital of Italy, and Bologna, headquarters of the general staff, are shown toward the lower center of

## Interstate Commerce Commission Asks Facts Of Alleged Stock Deal.

Washington, D. C., June 4 .- Appointnent of a receiver last April for the company was taken up before the Thicago, Rock Island and Pacific Rail-

road company was taken up before the Interstate Commerce commission today at the Investigation into the road's financial affairs.

Robert P. Lamont, president of the American Steel Foundries company of Chicago, testified his company petitioned for the Rock Island receiver, not for fear it could not collect \$15,000 due it, but because Silas H. Strawn, a Chicage attorney, whom Mr. Lamont presumed was acting for Bock Island attorneys requested him fo do so.

Boberts Walker of New York, connected with the Rock Island in various legal capacities, testified he asked Strawn to get some creditarito sign the potition which he himself had drafted at the direction of W. H. Moore, T. M. Schumacher and P. L. Hine, other directors of the company.

rectors of the company.

Hoped to Evade Recetvership,
Samuel Untermyer, representing N. L.

Amster of Hoston, a director, led Walker to tell how the Rock Island on March
31 borrowed \$1,500,000 of the Bankers'
Trust company on collateral, plus the
personal guaranty of Daniel G. Reid,

## GOING ON A FISHNG TRIP THIS SUMMER?

No matter where you go, the Herald will follow you and keep you posted on what is doing in El Paso, Mexico, and the entire Southwest. You will not want to fish, bathe, fance and play all the time; you long for news from the time; you long for news from home and if you don't get The Herald you won't have it. COUPON

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has responded favorably and cordially to president Wilson's personal latter conveying a request by Austria that provision be made for inspecting

Siberian camps, where Austrian prisoners of war are held.

Following unsuccessful negatiations through the usual diplomatic channels. In: Constantia Dumba, the Austrian ambassador here, asked president Wilson, about two months ago, to send a personal letter to emperer Nicholas. The request was the result of a report that Austrian prisoners were not setting proper treatment. The Austrian government asked that inspection be made by American Red Cross agents.

Ogden Mills, Wm. H. Moore, James Mc-Lean and Arthur C. James. Walker said the money was borvowed in hope of car-rying the road along until after the directors meeting. He prepared a peti-tion for receivership on March 8, so as to have it ready, if the loan did not go Jungling With Collateral.

"Why did you take that collateral away from the receiver if it was not to 'rig' up the stock market and take up the stock from 25 to 25 in ten days, and then let it drop to 21 in a single day?" asked Mr. Untermyer.

Walker denied that was his purpose. "Did you ever bear of any more outrageous deal than this?" demanded Mr. Untermyer.

"You have overlooked the fact that four new directors were to be elected on April 12 and we thought it but fair to allow them a voice in meeting the situation," responded Mr. Walker.

Sold His Own Sterk.

Sold His Own Stock. "But you sold your own stock for a about this time?" suggested Mr. Unter-

about this time?" suggested Mr. Untermyer.

Mr. Walker testified that he did.

Under cross examination as to those
reasonsible for his position with the
Rock Island, Mr. Walker said that he
regarded W. H. Moore, P. L. Hine and
Daniel G. Reid and "others" as in control. He told of being paid \$38,000 a
year as general coursed and chairman
of the executive board.

"I was their work horse and was
driven as they desired," was the way
Walker described his work.

## NEW ARIZONA RAILROAD

TO ISSUE \$675,000 BOLDS Phoenix, Ariz., June 4.—An application for permission to Issue \$873,000 worth of stock and the same amount of bunds has been made to the corporation commission by the Tucson, Cornelia and Gilla Bend Radiroud company. A hearbur will be held at an early date. The organizers of the company subscribed for \$159,000 worth of stock, or \$1000 for each mile of the proposed road.

Expedition Stopped.

Expedition Stopped.

Six months ago, on what was regarded as authoritative permission, an American Red Cross expedition started from Pekin, China, for Siberia to make the inspection. Then carrie a protest from Russia and the expedition was halted.

\$48,000,000 STOCK DIVIDEND Deroit, Mich., June 4 .- The Ford Mofor company announced today that it has increased its authorized capital from \$2,000,000 to \$100,000,000 and has

payable July 1. A cush dividend was declared on the original stock of \$2,000,000; but the amount was not made public. The stock dividend increases the holdings of Henry Ford, president of the company, \$27,840,000. James Cousens, vice president, receives \$5,000,000.

declared a stock dividend of \$48,000,000

The stock increase brings the issued capital stock of the concern to a valuation of \$50,000,000. The remaining \$10,000,000, it was announced, will remain in the company's transury "to be used as conditions in the future demand."

### PRUSSIAN LOSSES ALONE REACH 1,288,000 TOTAL

Amsterdam. Holland, June t.—The Telegrand states that, according to German casualty lists, Prussian losses alone have reached a total of 1,388,000. Recent casualty lists contain the annex of 5s altron, of whom 11 were killed, 25 wounded and ren missing.

The Teutons Drive Hard In Strong Effort to Clear the Russians from Galicia.

SLAV FORCES ON OFFENSIVE

Russians Still Hold Forts East of Przemysl Against the Austrians.

USTRO- HUNGARIAN Field Head-A quarters, June t.-According to information given out by the Austro-Hungarian military authorities. heavy fighting is now in progress along virtually the entire Galician front, and the general situation is very favorable to the Austro-Germans. A decisive conclusion to the entire Russian campalien in Galicia is in sight.

Russians Lounch Attack.
"The Russian rear guards," the statement to the press says, "are fighting delaying action wouth of the Emcister river against the Austro-German forces advancing from Stry to cover the pan-

evacuate the town and all the forts except those as the eastern and south-eastern sectors. This movement was executed by the Russians Wednesday night.

The Revarians resumed their attacks at dawn on Thursday and entered Praymysl upon the heels of the reilring Russians.

Some Forts still Held.

The Austrian 16th army curps simultaneously started inward the west and south fronts but found the forts there had been exacusted. An attack is now in progress against the forts still held by the flussians, those positions being defended apparently with the object of covering the retirement of the Russians.

## IMPOSSIBLE TO HOLD PRZEMYSL, SAYS RUSSIA

PRZEMYSL, SAYS RUSSIA

Petrograd. Russia. June 4.—Russian troops on the front to the north and to the west of the fortress of Przemysł evacuated their positions. Wednesday, night after all the materials taken from the Austrians, and been removed, zecording to an official statement issued that night by the Russian general staff. It is explained that after the capture Jaroslau and Radymne by the Austrianian forces, they began to apread along the west bank of the San, making the defence of Przemysia a difficult task. Russian leaders contend they realized from the first that Przemysł was incapable of defending itself, and they remained there only as long as it served their purpose. The positions occupied ground Przemysł extended the Russian front by about 24 miles and the recept controlled around artillary fire.

PREMICE ASQUITH FINISHES

PREMIER ASQUITH FINISHES
VISIT TO THE TRENCHES

British Hesinguarters in France, June 4.—Premier Asquiffs has just brought to a consistent of which he visited in a mofor car.

During a tour of four days the premier lavestigated all phases of the army in the field, hospitals, baths, flying corps, etc. On a certain hill he visewed the treuches and saw shells bursting. Everywhere the British troops received him with enthusiasm.

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Enclosed please find check in payment of renewal of our subscription to The Herald. We hope to read The Herald as long as our sight will permit us to read print. Yours respectfully, Sarah C. Tuite.

What We Call a Taste of Western Hospitality, New Yorkers Call a Dose